BEFORE THE POSTAL RATE COMMISSION

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DOCKET NO. R2000-1

INTERROGATORIES OF UNITED PARCEL SERVICE ADDRESSED TO UNITED STATES POSTAL SERVICE (UPS/USPS-52 through UPS/USPS-55) (July 31, 2000)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories directed to the United States Postal Service:

UPS/USPS-52 through UPS/USPS-55.

Respectfully submitted,

John E. McKeever William J. Pinamont

Phillip E. Wilson, Jr.

Attorneys for United Parcel Service

Piper Marbury Rudnick & Wolfe LLP 3400 Two Logan Square 18th & Arch Streets Philadelphia, PA 19103-2762 (215) 656-3310 (215) 656-3301 (FAX)

and

1200 Nineteenth Street, NW Washington, DC 20036-2430 (202) 861-3900

Of Counsel.

INTERROGATORIES OF UNITED PARCEL SERVICE DIRECTED TO UNITED STATES POSTAL SERVICE

UPS/USPS-52. (a) Confirm that in its original filing, the Postal Service provided an overall estimate for advertising costs for the test year of \$270 million. See Exhibit USPS-14K, page 52, column 16.3.5. If you do not confirm, explain and provide the correct figure.

- (b) Confirm that in its filing pursuant to Order No. 1294, the Postal Service has reduced estimated overall advertising costs for the test year to approximately \$160 million. See Exhibit USPS-ST-44V, page 52, column 16.3.5. If you do not confirm, explain and provide the correct figure.
- (c) What accounts for the change in the amount of estimated test year advertising costs? Please provide any directives or other documents which mandate, require, support, or justify the change.
- (d) Refer to page 5 of Library Reference USPS-LR-I-150, as revised on March 13, 2000. For each of the line items in that table, indicate the portion of the total savings of approximately \$110 million that is expected to be achieved in the test year.

UPS/USPS-53. Does the Postal Service anticipate reducing advertising expenditures for Priority Mail in the test year below the level set forth in USPS-T-23, page 14, as revised on March 13, 2000?

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UPS/USPS-54. Does the Postal Service anticipate reducing advertising expenditures for Express Mail in the test year below the level set forth in USPS-T-23, page 14, as revised on March 13, 2000?

UPS/USPS-55. Does the Postal Service anticipate incurring advertising expenditures for Parcel Post in the test year of less than \$18.5 million? See UPS-T-5 at 3, Tr. 25/11176. See also USPS-T-23 at 15-16, n. 3.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.

John E. McKeever

Attorney for United Parcel Service

Dated: July 31, 2000 Philadelphia, Pa.

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